Supreme Court, U.S.
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No. 03-1208

In the Supreme Court of the United States

DR. JOHN J. OKULEY,

Petitioner,

v.

E.I. DU PONT DE NEMOURS,

Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Sixth Circuit

PETITION'S REPLY TO BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

1. Whether a plaintiff's claim to ownership of a patent where inventorship is disputed invokes a question of patent law and therefore the appellate jurisdiction of the Court of Appeals for the Federal Circuit?

2. Whether it is necessary to first construe the subject matter and define the inventor of a patent before determining the patent's ownership?

TABLE OF CONTENTS

QUESTIONS PRESENTED i

TABLE OF CONTENTS ii

TABLE OF AUTHORITIES iii

REASONS FOR GRANTING THE WRIT 1

I. The Circuits are in conflict when determining whether a plaintiff's right to relief necessarily depends on a substantial question of federal patent law 2

II. Inventorship of the new subject matter described in the continuation-in-part patent applications has been disputed throughout the litigation, and is a necessary element of the plaintiff's claims 5

III. It is necessary to define inventorship in order to preserve the public interest that patents accurately declare the inventors 9

CONCLUSION 10

TABLE OF AUTHORITIES

Cases

Air Products and Chemicals, Inc. v. Reichhold Chemicals, Inc., 755 F.2d 1559 (Fed. Cir. 1985) 8

Beech Aircraft Corp. v. EDO Corp., 990 F.2d 1237 (Fed. Cir. 1993) 5

Begin-Say Int'l, Inc. v. Rasmussen, 733 F.2d 1568 (Fed. Cir. 1984) 7

Boggild v. Kenner Prods., 853 F.2d 465 (6th Cir. 1988) 8

Chou v. Univ. of Chicago, 254 F.3d 1347 (Fed. Cir. 2001) 9

Christianson v. Colt Indus. Operating Corp., 486 U.S. 800 (1988) 3, 4, 5

Combs v. Plough, Inc., 681 F.2d 469 (6th Cir. 1982) 8

Franchise Tax Board v. Construction Laborers Vacation Trust, 463 U.S. 1 (1983) 3, 4

Golan v. Pingel, 310 F.3d 1360 (Fed. Cir. 2002) 4, 9

Hunter Douglas, Inc. v. Harmonic Design, 153 F.3d 1318 (Fed. Cir. 1998) 3

Holmes Gr., Inc. v. Vornado Air Circ. Sys., Inc., 535 U.S. 826 (2002) 4, 10

Jim Arnold Corp. v. Hydrotech Sys., 109 F.3d 1567 (Fed. Cir. 1997) 8

Markman v. Westview, 517 U.S. 370, 384 (1996) . . 5

Univ. of W. Va. v. Van Voorhies, 278 F.3d 1288 (Fed. Cir. 2002) 5, 6, 8

U.S. Valves, Inc. v. Dray, 190 F.3d 811 (7th Cir. 1999) 6

U.S. Valves, Inc. v. Dray, 212 F.3d 1368 (Fed. Cir. 2000) 7

Statutes and Official Documents

28 U.S.C. §1338(a) 3

U.S. Pat. No. 6,372,965 . . . . . 1, 6, 9

REASONS FOR GRANTING THE WRIT

This case directly bears on the breadth of the jurisdiction of the United States Court of Appeals for the Federal Circuit under the patent laws. The subject of the suit below is a dispute between a university scientist and corporate collaborators over the inventorship and ownership of a valuable gene and its uses for engineering plants. Defendant-Petitioner Dr. John J. Okuley (Okuley) discovered the gene encoding a crucial enzyme in plant metabolism known as "FAD2." A collaborator, Plaintiff-Respondent E.I. Du Pont de Nemours & Co. (DuPont), applied for patents based on Okuley's discoveries, relying on a contract with Okuley's employer, Washington State University. One application eventually issued as U.S. Patent No. 6,372,965 ('965 patent). Okuley and DuPont stopped cooperating when they were unable to reach an agreement on compensation for Dr. Okuley's contributions to the patent applications. DuPont later sued Okuley in federal district court for a declaratory judgment extinguishing all Okuley's rights to several continuation-in-part patent applications and ordering Okuley to execute patent documents in DuPont's favor. Okuley appeals the Sixth Circuit's jurisdiction over the District Court's grant of a summary judgment to DuPont.

The first question presented asks this Court to resolve conflicts between the circuits over when a complaint "arises under" federal patent law. The second question asks this Court to resolve a conflict between the circuits as to whether a district court must first determine that the true inventor is before them before ordering the transfer of the ownership of an invention from a putative inventor to a third party, invoking the exclusive jurisdiction of the federal courts.

The facts and description in the Statement of the Case of Okuley's Petition are entirely accurate and supported in the record. DuPont raises unwarranted alarm in their Brief in Opposition (Dupont's Brief) that Okuley's Statement of the Case is somehow inaccurate, yet Dupont points to no fact that is misstated.[1] Dupont does go to great pains to reiterate facts already in the record that are relevant only to issues not raised in this appeal. Okuley has presented this Court with only those facts necessary to analyze the jurisdictional questions presented. Whether the parties agree on the interpretation of the associated contracts is immaterial in determining jurisdiction. The Petition relates all the salient facts necessary to answer the jurisdictional and procedural questions presented.

I. The Circuits are in conflict when determining whether a plaintiff's right to relief necessarily depends on a substantial question of federal patent law.

The Petition has drawn this Court's attention to the conflicting interpretations of when declaratory relief "arises under" the patent law. Only the United States Court of Appeals for the Federal Circuit has jurisdiction over the appeal from the District Court because DuPont's right to declaratory relief in its well-pleaded claims necessarily depends on resolution of a substantial question of patent law. The two-prong test for when a well-pleaded complaint

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[1] Contrary to DuPont's statement of the case, Okuley was skilled in the art of isolating genes prior to his successful discovery of the FAD2 gene, and succeeded after others had failed and abandoned using the same approach. The correct spelling of the Latin name of one of the oilseed plants used in the research is Arabidopsis thaliana.

establishes that a civil action arises under federal patent law is that either federal patent law creates the cause of action or that the plaintiff's right to relief necessarily depends on resolution of a substantial question of patent law. Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 809 (1988); 28 U.S.C. § 1338(a). Under the second prong, because DuPont's right to relief did depend on resolving a substantial question of patent law, the Sixth Circuit erred in asserting jurisdiction.

When determining whether a declaratory judgment plaintiff's right to relief arises under patent law, a court is directed to examine the action that the plaintiff is seeking to forestall. Clearly, DuPont is seeking to forestall Okuley asserting any ownership rights arising from his status as an inventor of the continuation-in-part patent applications. Even though federal courts "have regularly taken original jurisdiction over declaratory judgment suits in which, if the declaratory judgment defendant brought a coercive action to enforce its rights, that suit would necessarily present a federal question," the Sixth Circuit decided that the declaratory relief sought by DuPont did not present a federal question. Cf. Franchise Tax Board v. Construction Laborers Vacation Trust, 463 U.S. 1, 19 (1983) with Opinion, App. B at 10a, n.3. Despite its present claims that there is no dispute about Okuley's inventorship of new matter disclosed in the continuation-in-part patent applications, if DuPont were not seeking to forestall an assertion of ownership by Okuley derived from his status as an inventor, then there would be no controversy and no jurisdiction for a declaratory judgment action. See Hunter Douglas, Inc. v. Harmonic Design, 153 F.3d 1318, 1326 (Fed. Cir. 1998). The relief sought specifically references the continuation-in-part applications, and analysis of jurisdiction is rightly focused on the relative rights and interests in those applications.

The Sixth Circuit's decision and DuPont's Brief simply fail to differentiate between the declaratory relief sought by DuPont's complaint and a patent law question raised only in a counterclaim. The Federal Circuit has reached the opposite conclusion and asserted jurisdiction. Cf. Opinion, App. B at 10a, n.3 with Golan v. Pingel, 310 F.3d 1360, 1367 (Fed. Cir. 2002) (exercising jurisdiction based on the coercive action contemplated by the declaratory defendant). While they do not have an identical set of facts as the present case, the authorities cited by both Okuley and Dupont emphasize the frequency that patent law jurisdictional issues arise and the inconsistency of the application of the law to resolution of those jurisdictional issues. This Court has already recognized that analysis of jurisdiction under the well-pleaded complaint rule is modified by a declaratory judgment action. Franchise Tax Board, 463 U.S. 1, 19 (1983). There is a real conflict between the Sixth Circuit's analysis with that in Franchise Tax Board and Golan v. Pingel.[2] The time is at hand to apply these precedents to defining the breadth of federal patent law jurisdiction under Christianson and Holmes Gr. This Court's guidance would be extremely helpful in settling the law in this important area.

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[2] Even though DuPont suggests that Okuley is asking this Court to reconsider the decision in Holmes Gr., such is not the case. The Petition recognizes the impact of Holmes Gr. on federal patent law jurisdiction and draws the Court's attention to conflicts that have arisen in applying the Holmes Gr. decision to questions not considered in that decision. Holmes Gr., Inc. v. Vornado Air Circ. Sys., Inc., 535 U.S. 826, 830 (2002).

II. Inventorship of the new subject matter described in the continuation-in-part patent applications has been disputed throughout the litigation, and is a necessary element of the plaintiff's claims.

Only the Federal Circuit has jurisdiction over an appeal where the relief seeks full ownership of continuation-in-part patent applications, and the relief relies on answering a federal patent law question of who invented disputed new subject matter. Univ. of W. Va. v. Van Voorhies, 278 F.3d 1288, 1295 (Fed. Cir. 2002); See Christianson v. Colt Indus. Operating Corp., 486 U.S. 800, 808-09 (1988); 28 U.S.C §1295(a)(1).

There is a direct conflict between Federal Circuit precedents and the Sixth Circuit's decision over whether determination of inventorship is a necessary element of a claim to ownership. Beech Aircraft succinctly states established Federal Circuit precedent, that where inventorship is at issue, ownership can only be determined after first defining inventorship. Beech Aircraft Corp. v. EDO Corp., 990 F.2d 1237, 1248 (Fed. Cir. 1993). To grant DuPont's claim for relief, the first step is to resolve the question of whether Dr. Okuley made new inventive contributions to the continuation-in-part applications. Such a result is consistent with long-established Federal Circuit precedent, and this Court's decision in Markman v. Westview. 517 U.S. 370, 384 (1996). The Sixth Circuit fails to differentiate between a "contractual" purchaser and a party establishing ownership directly through the inventor. The Sixth Circuit's decision squarely conflicts with the Federal Circuit and DuPont cites no authority that suggests ownership can be derived from a party without establishing that they are the inventor or a successor to the inventor's interest. DuPont's prayer for relief necessitates a finding under patent law that either Dr. Okuley

has not made new inventive contributions to the continuation-in-part applications, or that he is an inventor and DuPont is a rightful successor in interest.[3]

Okuley claims an interest in the new subject matter of the continuation-in-part patent applications as a consequence of being an inventor. Establishing that inventorship interest and the scope of that interest is the core issue on which DuPont's right to relief depends. Dupont fails to acknowledge that even though its complaint may not explicitly state a claim under federal patent law, any right to relief they seek does necessarily depend on resolution of a patent law question. DuPont's first cause of action is explicit in seeking a "judgment declaring that Dr. Okuley has no right to, or interests in, the inventions described" in the continuation-in-part patent applications. App. D, at 82a.

While not all disputes over ownership of a patent arise under the patent laws, where the core of the controversy revolves around the prospective contributions of a putative first inventor, the controversy cannot be resolved without addressing inventorship. Patent law is a necessary element of DuPont's action because only after resolution of the questions of patent law can DuPont assert any contractual rights or interests. See, e.g., Univ. of W. Va. v. Van Voorhies, 278 F.3d 1288, 1296-97 (Fed. Cir. 2002); U.S. Valves, Inc. v. Dray, 190 F.3d 811, 813-14 (7th Cir. 1999) (transferring to the Federal Circuit, stating "patent law is a necessary element

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[3] The continuation-in-part applications are the specific subject of DuPont's complaint, and thus should rightly be the focus of this Court's analysis. App. D, at 82a. Although the '965 patent was not issued when the suit began, it matured from an application with an identical disclosure to one DuPont referenced.

of U.S. Valves' breach of contract action); U.S. Valves, Inc. v. Dray, 212 F.3d 1368, 1372 (Fed. Cir. 2000) (asserting jurisdiction and finding that interpreting the patent is a necessary element of construing a contract). Thus, the Petition presents this Court with a question of proper patent law jurisdiction where the Sixth Circuit is in conflict with both the Federal Circuit and the Seventh Circuit.

Inventorship of the new subject matter disclosed in the continuation-in-part applications was disputed throughout the litigation and this dispute is referenced by the District Court. Order, App. C at 72a ("DuPont denies that this represents any new inventive contribution"). Dupont has made four different determinations of inventorship, two of which did not name Okuley, yet still avers that "no party has disputed" that Okuley is at least a co-inventor. Resp. Brief at 3; at 7. There is to this day no indication that Dupont attorney Floyd has retracted her initial determination that Okuley was not an inventor. See, e.g., R. 53 Dep. of Floyd at 81. Dupont has consistently disputed that Okuley did not invent any new matter disclosed in the continuation-in-part applications. Order, App. C at 72a; see, e.g., R.56 Aff. of Christenbury at 2-4. Dupont finally admits that the continuation-in-part applications "contained additional technical information" generated by Okuley. Resp. Brief at 8. It is simply not possible for ownership of the continuation-in-part applications to be established without determining who invented the "additional technical information" because defining inventorship is the first step in determining ownership. In those suits between successors to an inventor's ownership interest, where there is no dispute as to the inventor's initial ownership, the case might be resolved solely under state contract law. See, e.g., Begin-Say Int'l, Inc. v. Rasmussen, 733 F.2d 1568, 1571 (Fed. Cir. 1984). In the Sixth Circuit cases cited by DuPont, former owners of patents sought to

avoid contracts transferring an interest. Boggild v. Kenner Prods., 853 F.2d 465, 466-67 (6th Cir. 1988); Combs v. Plough, Inc., 681 F.2d 469, 470 (6th Cir. 1982). These cases emphasize that the analysis of patent law jurisdiction in the Sixth Circuit conflicts with Federal Circuit precedent. In comparison, Dupont is a purported beneficiary of a contract seeking to establish that the putative inventor Okuley has no interest. [A] 'court must review and analyze the plaintiff's pleadings, with special attention directed to the relief requested by the plaintiff, in making the determination as to whether a cause of action arises under the patent laws, or is a cause of action based upon'" a contract. Jim Arnold Corp. v. Hydrotech Sys., 109 F.3d 1567, 1575 (Fed. Cir. 1997) quoting Air Products and Chemicals, Inc. v. Reichhold Chemicals, Inc., 755 F.2d 1559, 1562 (Fed. Cir.1985).

Dupont has redrafted the first Question Presented in a manner that creates an entirely different issue, commingling contract questions with patent law. This Court is *not* being asked to analyze and apply contracts, and review of such contracts is *unnecessary* to resolve this appeal. The Petitioner objects to the revised questions presented in the Brief in Opposition, and requests review of petitioner's Questions Presented.

The Sixth Circuit erred when it failed to define inventorship before determining ownership, yet still granted Dupont the relief they sought, ownership of the disputed continuation-in-part applications, and an Order that Okuley execute documents proffered by Dupont. Contrary to Dupont's assertions in their Brief, the relief the district Court granted depended on a question of patent law. Dupont and the Sixth Circuit ignore or miscontrue the conflicting authority which found appellate jurisdiction in the Federal Circuit. Univ. of W. Va. v. Van Voorhies, 278 F.3d 1288, 1295

(Fed. Cir. 2002) (federal patent law jurisdiction over scope of continuation-in-part applications); Golan v. Pingel, 310 F.3d 1360, 1367 (Fed. Cir. 2002) (jurisdiction over declaratory judgment seeking to forestall action under patent law); Chou v. Univ. of Chicago, 254 F.3d 1347, 1358 (Fed. Cir. 2001) (jurisdiction over inventorship dispute alleging reputational damage) . Therefore, the Sixth Circuit is in conflict with the Federal Circuit, and review is of exceptional importance.

III. It is necessary to define inventorship in order to preserve the public interest that patents accurately declare the inventors.

There is a great public interest in having patents correctly list the inventors. Chou v. Univ. of Chicago, 254 F.3d 1347, 1358 (Fed. Cir. 2001). By failing to establish the inventorship of the continuation-in-part applications, this public interest is damaged. Among the relief sought by DuPont is a "declaration that Okuley was legally obligated to execute certain documents." Resp. Brief at 3. The Order directs Okuley to "execute whatever documents are necessary in order that DuPont may prosecute the Continuation-in-Part applications." Order, App. C at 73a. If Dupont is to be granted the relief they seek, that Okuley execute an oath of inventorship, then inventorship should be determined as a matter of law, not according to Dupont's whim. Otherwise, inventorship remains unresolved, to be determined another day, when another suit involving the '965 patent arises. Because inventorship is a matter of law, Okuley's personal interpretation of the law in 1993 is almost immaterial in defining the inventors. No matter how much respect Okuley has for Dr. Lightner as a friend and colleague, Okuley cannot turn Lightner into an inventor if he did not contribute to the conception of the invention. DuPont and the Sixth Circuit's opinion fail to acknowledge the right of the public to an

accurate listing of inventorship on the patents granted by the United States.

It is obvious from the widespread commentary of Holmes Gr. that the decision has broad-reaching impact on the development of patent law and the jurisdiction of the Federal Circuit. See Petition at 20-25. Because the circuits are being called upon to resolve federal question jurisdiction issues that have lain dormant for more than a decade, conflict between the different circuits' application of the Holmes Gr. decision has almost immediately arisen. Therefore it is of the utmost importance for this Court to resolve these conflicts and to provide guidance in defining the jurisdiction of the Federal Circuit. This Court should grant review and reverse the judgment of the Sixth Circuit.

CONCLUSION

For the foregoing reasons, the questions of proper appellate jurisdiction of the Federal Circuit and the uniform application of patent law are of the utmost importance. Therefore, Dr. Okuley requests the Court grant the petition and reverse the judgment of the United States Court of Appeals for the Sixth Circuit.

Respectfully submitted,

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